**MINUTES OF MEETING**
**BOARD OF DEVELOPMENTAL DISABILITIES SERVICES**
**February 19, 2016**
**Conway Human Development Center**
**Conway, Arkansas**

The regular meeting of the Board of Developmental Disabilities Services (DDS) was held February 19, 2016 at the Conway Human Development Center in Conway, Arkansas. The meeting convened at 10:30 a.m. pursuant to the call of the Board Chair.

MEMBERS PRESENT: Board Chair Mr. Randy Laverty, Ms. Sally Hardin, Ms. Suzann McCommon, Mr. Darrell Pickney, Mr. David Rosegrant, Ms. Artie Jones and Dr. Linda Selman.

STAFF PRESENT: Ms. Melissa Stone, Ms. Mischa Martin, Mr. Jeff Gonyea, Mr. Glenn Clark, Ms. Sarah Murphy, Mr. Forrest Steele, Mr. Steve Farmer, Ms. Avis Lane, Ms. Tammy Benbrook and Conway HDC staff.

OTHERS PRESENT: Ms. Jan Fortney, Ms. Rita Hoover, Ms. Carole Sherman, Conway HDC staff, parents and family members of HDC residents, Governor's Office Liaison Ms. Phyllis Bell, Mr. Tom Masseau, Mr. Thomas Nichols, Ms. Cassie Howell and Ms. Debra Poulin from Disability Rights Arkansas.

Mr. Laverty called the meeting to order, welcomed everyone in attendance and thanked Conway HDC Superintendent Sarah Murphy for hosting the DDS Board meeting. Ms. Murphy introduced the staff and recognized former Conway HDC Superintendent Calvin Price who was also in attendance.

Mr. Laverty called for a motion to approve the minutes from the November 4, 2015 regular meeting of the DDS Board. Mr. Rosegrant made a motion that the minutes be approved. Ms. McCommon seconded the motion which passed unanimously.

Mr. Laverty called for a motion to approve the minutes from the January 14, 2016 called meeting of the DDS Board. Mr. Pickney made a motion that the minutes be approved. Ms. McCommon seconded the motion which passed unanimously.

Following approval of the minutes, Mr. Laverty proposed that the location of the DDS Board meetings rotate each quarter and suggested Booneville be the site of the next meeting.

There were no subcommittee reports to present.

Mr. Laverty invited consumers, advocates and guests to address the Board.

Ms. Jan Fortney, parent of a Conway HDC resident, addressed the Board and provided reports related to an HDC presentation made to the Arkansas Legislative Health Care Reform Task Force on September 16, 2015. (See Attachments 1:1, 1:2, 1:3) She advised that the Chair of the

Task Force will ask volunteers to serve on a Subcommittee to study cost savings, transition and quality of life issues associated with HDCs. Ms. Fortney encouraged everyone to contact their Legislators regarding continued support of HDC funding.

Mr. Pickney welcomed the Subcommittee's examination for cost savings as long as services are not affected. He pointed out that in his family's case, waiver services would be far more expensive than care provided by the HDC.

Ms. McCommon voiced similar views regarding costs associated with waiver care versus HDC care. She also noted there is a need to contact local Representatives and Legislators and encourage them to tour an HDC as they would then fully understand the necessity and effectiveness of these facilities.

Mr. Laverty suggested that the Legislative Committees hold a scheduled meeting at an HDC.

Ms. Carole Sherman, parent of an Arkadelphia HDC resident, thanked the DDS Board, HDC Superintendents and staff for their support of human development centers and residents. Ms. Sherman advised the Board of a family satisfaction survey that had been conducted and offered to forward the results to those who would like to have it. Ms. Sherman also shared information regarding a program model based on St. Joseph's Hospital in Hot Springs. The model works to move programs from older to newer structures. Ms. Sherman noted that implementation of such a model may be beneficial for the Booneville HDC and asked that DDS Director Melissa Stone contact the appropriate leaders of the program to obtain additional information.

Ms. Elaine Wooten, family member of a Conway HDC resident, thanked the Conway HDC Superintendent and staff for the excellent care provided to her brother. Ms. Wooten shared her brother's story of leaving briefly on the ACS Waiver. While the accommodations at his residence were more than adequate, it did not fit his needs and he ultimately returned to Conway.

Mr. Pickney noted that Ms. Wooten's story confirms that "one size does not fit all". Mr. Laverty shared the same thoughts and noted that the same holds true for community based programs. He also applauded the city of Booneville inclusion of the clients as a welcomed part of the community.

Mr. Laverty thanked Ms. Fortney, Ms. Sherman and Ms. Wooten for their statements.

Mr. Forrest Steele, Superintendent of Jonesboro HDC, presented the report for the human development centers and reminded the Board that monthly reports for the HDCs were included in the Board packets. Mr. Steele presented items of interest about each HDC along with information regarding completed and upcoming CARF and Long Term Care surveys. Mr. Steele also updated the Board on efforts being made by HDCs to decrease staff turnover.

DDS Director Melissa Stone introduced DDS Assistant Director Mischa Martin and Governor's Office Liaison Phyllis Bell and thanked them for their valued assistance. Ms. Stone began her report by discussing internal methods to implement cost savings without affecting services and advised the Board that budget meetings have been conducted with each HDC. Ms. Stone also

encouraged HDC Superintendents to regularly attend Committee meetings at the Capitol to ensure that Legislators are aware of HDC issues. Mr. Laverty and Mr. Pickney concurred. Ms. Stone then thanked Mr. Pickney, Ms. Fortney, Ms. Sherman and Ms. Hoover for their continued attendance at committee meetings.

Mr. Calvin Price thanked the Board for the plaque Ms. Murphy accepted on his behalf during the November meeting. Mr. Price spoke of working in HDCs for 37 years and encouraged those who do not know the day to day workings of a center to visit. He commended the quality of services provided and the genuine efforts of the staff.

Mr. Laverty called for a motion for the meeting be adjourned. Mr. Rosegrant made a motion for the meeting be adjourned. Ms. Hardin seconded the motion which passed unanimously. The meeting adjourned at 11:28 a.m.

ATTEST:

Mr. Randy Laverty, Chair, Board of DDS

Executive Secretary

DDS Board Meeting

Friday, February 19, 2016

Statement from Jan Fortney

Conway HDC Mother & Guardian of Kim

Mr. Chairman and DDS Board Members,

Today, I'd like to report on the presentations from the Health Care Reform Task Force meeting which was held on Wednesday of this week (February 17, 2016). You have in front of you copies of materials we shared with members of the Task Force, and part of the Power Point Presentation from The Stephen Group (TSG) that show our Human Development Centers as not being a part of the overall effort to produce cost savings in the area of Developmental Disabilities in our state. While there was not a tremendous amount of attention drown to the fact that HDCs were not a part of the savings effort during the presentation, the multiple times it was seen by Legislators and others made it clear that our HDCs were a target. Our families believe that the HDCs already save money for the state.

TSG presented their projected Traditional Medicaid Spending Baseline growth rates, as seen on page 28. This shows a baseline growth in spending of 5% per year, which they say would be a $939 million total amount for a five year period (FY17 – FY21). TSG bases this on national projections. These figures are questionable, based on the fact that the HDC Budget for FY15 was less than $119 million, and the fact that our census is down.

Two possible models of care were presented - that of a Managed Fee-for-Service Care Model and a Capitated Care Model. TSG's presentation reported that savings under a "capitated model", as seen on page 36, would be a possible way to go, while still capturing the fact that the HDCs would not be helping with those savings and that the spending growth would still be there. There was talk of new assessments, and many things that could affect our residents at the HDCs. Mr. Stephen said in his closing remarks it's "not bending the curve, but stimming the tide" (speaking of the expected growth in Medicaid spending). He said unless there are meaningful cuts somewhere, the DD Wait List will not be impacted, and this is above what TSG has recommended in the report.

You can access this complete report on-line at:
http://www.arkleg.state.ar.us/assembly/2015/Meeting%20Attachments/836/I14263/TSG%20final%20ppt%20for%202-17%20meet.pdf

There are several other exhibits from the meeting at:
http://www.arkleg.state.ar.us/assembly/2015/2015R/Pages/MeetingDetailsPopupPage.aspx?meetingId=26900&CalType=ME&List=Meetings&btnok=nook

The Stephen Group Exhibit E-1, on page 19 has a paragraph regarding our HDCs. It reads:

> "In identifying his target for the $835 million in savings, Governor Hutchinson noted that Arkansas Human Development Centers (HDCs) would be 'excluded from the larger managed care initiative' but that he 'would work for a plan to assure the sustainability of HDCs'. TSG has not factored any changes to HDCs in its savings model, nor do we believe it is necessary to achieve the targeted savings. However, the Task Force should seek more information and data in this area to determine the future costs to sustain any one or more of the Centers, as well as the financial program costs as compared to the costs in a non-institutional setting, and the impact any transitions would have on individuals, families and the community."

After the lunch break, the Task Force decided to form a Sub-Group Committee for Assessment of Cost Savings to Address the HDCs. This group was talked about in the fall after FF/CFR members met with The Stephen Group on October 20th to address their original recommendations about the HDCs. Mr. John Stephen mentioned on Wednesday, that this Sub-Group would not be looking at just the costs or cost savings, but it was about quality of life, improvements, and transition issues as well. The Task Force will make a motion to establish this group and appoint the members at a future meeting.

The next Task Force meeting is scheduled for March 7th. Every person that supports the continuation of our HDCs should contact the Governor's office, the Legislators, and other leaders about why our HDCs are needed, how they are a proven workable and cost effective model of care, and how important they are to our loved ones, their families, and the local communities.

I'm asking this Board to help us mount a charge to defend our HDCs!

Thank you for the opportunity to speak to you today, and thank you for your continued service.

# Traditional Medicaid Spending Baseline

| Baseline Estimates of Medicaid Spending by SFY and Program ($millions) | |
|---|---|
| | SFY 2017-2021 |
| Elderly non-SNF | 2,105 |
| SNF | 4,001 |
| DD non-HDC | 3,526 |
| BH program | 2,868 |
| HDC | 939 |
| All prescription drugs | 2,005 |
| All dental | 701 |
| All medical | 7,332 |
| Non-claims based payments | 6,245 |
| Total | 29,722 |

# Projected Savings

## *General Fund Components*

| General Fund Components of Program Changes ($millions) | | | |
|---|---|---|---|
| Program | Program Savings (Costs) | Effective State Match % | General Fund savings |
| Elderly non-SNF | 88 | 30% | 26 |
| SNF | 163 | 16.27% | 26 |
| DD non-HDC | 193 | 30% | 58 |
| BH program | 261 | 30% | 78 |
| HDC | 0 | | |
| All prescription drugs | 160 | 30% | 48 |
| All dental | 20 | 30% | 6 |
| All medical | 213 | 30% | 64 |
| Non-claims based payments | | | |
| Admin savings subtotal | 28 | 30% | 8 |
| Admin costs subtotal | (84) | 30% | (25) |
| Premium tax (Dental) | 17 | 30% | 5 |
| Total All-Fund Impact | 1,057 | | 295 |

# Projected Savings

*Capitated Model*

| | SFY 2017 | SFY 2018 | SFY 2019 | SFY 2020 | SFY 2021 | SFY 2017-2021 | Program savings | Description |
|---|---|---|---|---|---|---|---|---|
| All elderly costs except SNF | 554 | 549 | 552 | 579 | 608 | 2,842 | 273 | MCO, starting halfway through SFY18; Industry efforts starting halfway through SFY17 |
| SNF costs | 706 | 724 | 762 | 802 | 844 | 3,839 | 163 | 65% of $250M target savings, starting halfway through SFY17 |
| All DD costs except HDC | 821 | 814 | 825 | 866 | 909 | 4,235 | 423 | MCO, starting halfway through SFY18; rule and rate changes starting halfway through SFY17 |
| HDC | 170 | 178 | 187 | 197 | 207 | 939 | 0 | No savings |
| All BH costs | 947 | 935 | 982 | 1,031 | 1,083 | 4,978 | 568 | MCO, starting halfway through SFY18; rule and rate changes starting halfway through SFY17 |
| All low cost pops | 944 | 988 | 1,029 | 1,067 | 1,111 | 5,138 | 79 | PCMH |
| Non-claims-based payments | 1,130 | 1,187 | 1,246 | 1,308 | 1,374 | 6,245 | 0 | Nothing |
| Program subtotal | 5,273 | 5,375 | 5,582 | 5,850 | 6,135 | 28,216 | 1,506 | |

# Potential Savings

*Different Growth Rates*

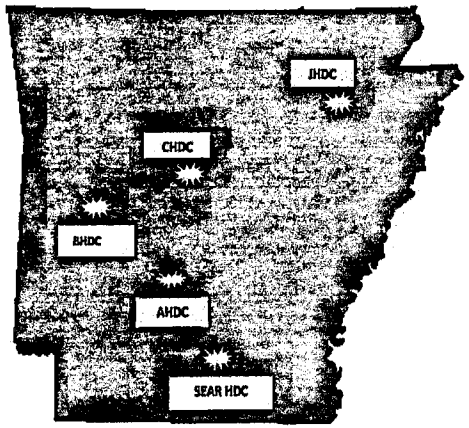
| Medicaid Spending and Saving at Different Growth Rates *($millions)* | | | | |
|---|---|---|---|---|
| | 5% | 4% | 3% | 2% |
| 2017 | $5,379 | $5,379 | $5,379 | $5,379 |
| 2018 | $5,648 | $5,594 | $5,540 | $5,486 |
| 2019 | $5,930 | $5,818 | $5,706 | $5,596 |
| 2020 | $6,227 | $6,050 | $5,878 | $5,708 |
| 2021 | $6,538 | $6,293 | $6,054 | $5,822 |
| 2017-2021 Total | $29,722 | $29,134 | $28,557 | $27,992 |
| Difference | | $588 | $1,164 | $1,730 |



Proprietary and Confidential

# *Arkansas' 5 Human Development Centers (HDCs)*

*HDCs serve over 900 residents from throughout the state. HDCs are foundational components of the Arkansas Developmental Disabilities Service System (DDS).*




***Arkadelphia HDC***

***Booneville HDC***

***Conway HDC***

***Jonesboro HDC***

***Southeast Arkansas HDC (Warren)***

# *February 17, 2016 - Addendum with New Information*

***Families & Friends of Care Facility Residents (FF-CFR)***

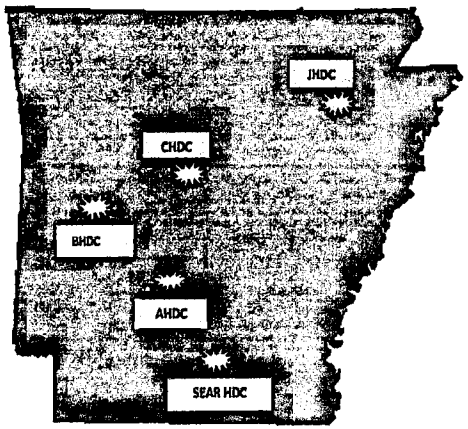
***Original Presentation to***

***Arkansas Legislative Health Care Reform Task Force***
***September 16, 2015***

Attachment 1:3

# *Arkansas' 5 Human Development Centers (HDCs)*

*HDCs serve over 900 residents from throughout the state. HDCs are foundational components of the Arkansas Developmental Disabilities Service System (DDS).*




***Arkadelphia HDC***

***Booneville HDC***

***Conway HDC***

***Jonesboro HDC***

***Southeast Arkansas HDC (Warren)***

***Families & Friends of Care Facility Residents (FF-CFR)***

***Presentation to***

***Arkansas Legislative Health Care Reform Task Force***
***September 16, 2015***

# SNAP SHOT of Services at CHDC (Data from FY16)

| On-site Service: | Average # of people/ services per month @ CHDC | Special Note: | Minimum Approximate Cost in Community | Approx. Monthly Costs in Community | Comparative Savings Notes: |
|---|---|---|---|---|---|
| Sick Call Clinic (service offered daily) * | 425 visits | 3146 Treatments | $157/visit | $ 66,725.00 | Avoids costly & difficult trips to physicians offices. |
| Infirmary * | 23 people | Avg # of days 220 | $200/day min. | $ 44,000.00 | This service avoids costly hospital stays, extra tests, and trauma. |
| Lab Blood Draws | 409 | | $95/lab draw | $ 38,855.00 | Each draw has multiple tests, which would be additional costs. |
| Audiology/Hearing Evals, etc | 30 | | $225/test | $ 6,750.00 | |
| Eye Clinic | 10 people | | $80/basic exam | $ 800.00 | |
| Podiatry Clinic | 34 people | Avg visit 15 minutes | $95/hr. | $ 3,230.00 | |
| Physicals | 40 people | Avg visit 30 minutes | $200/exam | $ 8,000.00 | |
| X-Ray Procedures | 70 | | $100/x-ray | $ 5,200.00 | |
| DEXA Scans | 52 | | $200 | $ 10,400.00 | |
| Dental-Basic Procedures | 200 | 719 Treatments; Cleanings; and X-rays | $200/visit | $ 40,000.00 | |
| Nursing Contacts w/Residents * | 10,352 | Avg contact - 15 min. | $28/hr. | $ 72,464.00 | $28,468/month |
| Physical Therapy Treatments | 656 | | $120/hr. | $ 78,720.00 | |
| Speech Therapy | 363 hours | | $94/hr. | $ 34,122.00 | Potential savings = $3,890/month |
| Wheelchair Fittings/Assemble | 14 | | $1,000 - $2,000 | $ 28,000.00 | Potential savings = $600 - $1,500 |
| Wheelchair Specialized Modifications | 739 | | Unknown | - | Variable costs due to specific types of adjustments & modifications |
| Psyc. Physician Visits w/Residents | 333 | | $120 - $250/hr. | $ 83,250.00 | |
| Other Psyc. Examiner Services: | | | | | |
| Assessment | 40 | | $200/hr. | $ 8,000.00 | |
| Write Positive Behavior Support Plan | 12 | | $1,200 | $ 14,400.00 | |

*** Not available in Community Settings**

**Possible Monthly Costs if provided in Community = $ 542,916.00** **Yearly Community Costs = $6,514,992.00**

**Other services provided:**

Residential Services (includes Room & Board); 24/7 Awake Direct Care Staff; Case Management; Interdisciplinary Teams with Person Centered Programming; Health Care Management; Dietary Management; Alzheimer's Care; Transportation; Life Skills Habilitation; Job Training; Recreational & Social Activities; Safe & Secure Walkable Campuses (compared to college type experience); and Dependable Experienced Caregivers.

**Note: If many of these services were to be provided in the larger community, the transportation and direct care costs alone would be astronomical. Therefore, considering this "snap shot" of costs comparisons, CHDC saves more money in the long term. Additionally, when services are provided in the community, typically, food stamps & housing vouchers pick up the tab for "room & board". The lack of housing vouchers is a problem nationwide; and the food stamp program could hardly guarantee that vulnerable people would have their nutritional needs met as they are in an HDC.**

***Please see the Graph on Page 9 of original presentation.***

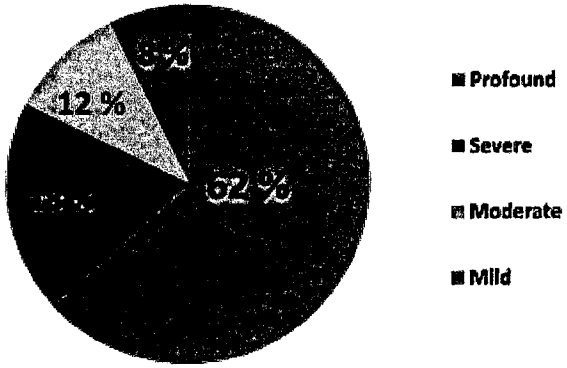
# Families & Friends of Care Facility Residents (FF/CFR)

**WHO WE ARE:**

FF/CFR is a volunteer organization, comprised of families, guardians and friends of people with cognitive-developmental disabilities, most of whom live in one of Arkansas' five HDCs. We are a 501c3 non-profit corporation, and have no paid staff (we advocate at our own expense). We do not employ a lobbyist, and we are dedicated to securing, maintaining and improving services for Arkansans with all levels of intellectual developmental disabilities, particularly those with severe and profound cognitive deficits. We advocate for a full range of services and a full continuum of living arrangements with the understanding that one program will not eliminate any other program option.

We appreciate Governor Asa Hutchinson's support, and our Legislators' support of our loved ones' homes and communities. The HDCs are their life-lines!

# HDC Residents




Data from DDS as of 1st Quarter 2015

| Total Residents 914 | Ambulatory 619 | Non- Ambulatory 295 |
|---|---|---|
| Aggressive Destructive & Self-injurious 676 | Hearing Impaired 109 | Physician Ordered Modified Diets * 794 |
| Health Fragile 424 | Visually Impaired 342 | Tube Fed 120 |

** Due to dysphasia, choking, and swallowing issues.*

✓HDC residents are the most medically fragile and vulnerable of Arkansas' citizens with cognitive and other developmental disabilities.

# Facts About the HDCs

- HDCs are long-term care facilities , which operate 24 hours a day, 365 days a year – they never close!
- The 5 HDCs serve over 900 individuals from counties throughout Arkansas providing specialized care required for their severe and complex conditions.
- 62% of HDC residents function in the profound range of cognition (IQ below 20), and another 18% function in the severe range of cognition (IQ 20 – 34).
- 87% - that is, 794 of the 914 HDC residents - are on physician ordered modified diets and are at high risk of choking.
- In addition to profound and severe intellectual disabilities, most HDC residents also have physical disabilities.
- 676 of 914 HDC residents exhibit aggressive, destructive and / or self-abusive behaviors.
- Arkansas HDCs have historically proven successful in providing quality services for Individuals with DD.
- HDCs are Patient-Centered Medical Homes & Health Homes.
- HDCs are Arkansas' Safety Net Programs. Many residents have lived at home with family, and have been unsuccessful in other programs. Over time, their situations and care-needs and that of their families have changed. Due to their mental incapacity, court appointed guardians have been secured to help make decisions about their required care including residential placement that is best for them. HDCs are a choice provided by our state to its vulnerable citizens with life-long developmental disabilities.
- HDCs provide training to professionals, and offer outreach services to non-residents and their families around the state.
- HDC's Seating Clinic and Orthotic Services provide assessments for proper body alignment and comfortable wheelchair seating to individuals statewide.
- HDCs provide Economy of Scale – It is more economically feasible to provide the required specialized services by trained professionals in a campus setting.

# Episode of care:
## HDC residents have one life-long episode of care

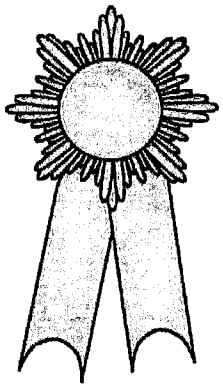
- HDC residents' cognitive deficits & developmental disabilities cannot be cured with medication. Their level of cognition is not improved with medication.
- Cognitive deficits and other developmental disabilities cannot be cured. Through HDC training and structured predictable schedules, our family members can learn to tolerate a crowd, to sit with a group, to trust others, and to assist in their own care with the help of others.
- The majority of HDC residents are non-verbal; they are unable to express their hurts or needs or can only do so with limited ability.
- HDC residents require close supervision at all times. They have slight or little awareness of danger. If they wake in the night, an awake HDC staff member is present to assure their health and safety.
- HDC residents lack the cognitive ability to self-advocate or self-direct their services without the assistance of others.
- With support, a small percentage of HDC residents have employment off-grounds; the majority of HDC residents are unable to be gainfully employed.
- Most HDC residents take one or more medications for seizures, health and behavioral conditions. HDC residents are unable to safely store and administer these medications.

# Services offered at HDCs:

- HDCs provide spacious, secure campuses where residents have easy access to comprehensive services.
  Residential Services (includes room & board)
- 24/7 Direct Care Awake Staff
- Interdisciplinary Teams with Person Centered Program Plans
- Case Management
- Health Care Management
- Bone Density – DEXA
- Total Drug Management
- Wheelchair & PTO Shop (utilized by others with DD around the state)
- Medical & Dental Clinics with Lab Services
- Dietary Management, Including Specialized Eating Equipment
- Alzheimer's Care
- Transportation
- Life Skills Habilitation & Job Training
- Professionals with Experience
- Recreation/Socialization Activities
- Occupational, Physical, Speech Therapies
- Psychiatric/Psychological Services
- Positive Behavior Support Services
- And so much more!

# HDCs Accreditations & Licensure

- Arkansas Office of Long Term Care
- Certified by CMS (Centers for Medicare & Medicaid Services)
- CARF (Commission on Accreditation of Rehabilitation Facilities)
  - An International Commission on Accreditation



## Myths and/or False Statements
## That you will hear from time to time, and the *real truth*!

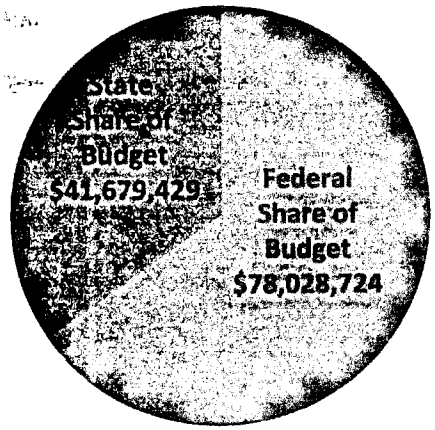
| | Myths/False Statements: | Truth: |
|---|---|---|
| 1 | "Long Term Care Services are cheaper in the Community" | There is no cost savings if all "components of care" are factored in. For example, cost for housing, food, clothing, caregivers, transportation, recreational activities, medical needs, dental care, physical and/or occupational therapy, prescriptions, speech therapy, diapers, special equipment, close supervision. |
| 2 | "Least Restrictive Environment" is understood to mean services offered only in the "Community". | "Least Restrictive Environment" can be a Human Development Center. |
| 3 | HDC residents' constitutional rights are violated because they live in segregated settings. | HDC residents live in safe campus-based homes where they walk freely, without fear or danger; HDC homes are close to life-giving support services; numerous professionals, volunteers, career employees and visitors are part of their active lives. |
| 4 | Those living in institutions are "incarcerated" and are not offered the opportunity to be involved in their own communities, families, and friends. | In actuality, individuals in HDCs have many opportunities to be in their communities with family members, friends, shopping, eating in restaurants, movie theatres, county fairs, sporting events, church, horseback riding, fishing, and they have social interaction with their peers, staff, and volunteers. |
| 5 | "Institutions enforce an unnatural, isolated and regimented lifestyle that is not appropriate or necessary." The Arc Position Statement | Facility-based care is a "positive" long term care choice with the close individual professional care that is needed on a 24-hour basis. |
| 6 | U.S. Supreme Court decision: "Olmstead requires community integration."<br>"Olmstead requires downsizing/eliminating the option of institutional care for persons with disabilities." | The Olmstead Decision supports facility-based (institutional care) for those individuals whose severe impairments require the close care found in such settings. Olmstead encourages a continuum of service options for disabled persons – home, community and institutional care. |
| 7 | "There is a need to rebalance the long term care current system. Overall about 60 percent of Medicaid long-term care dollars are still spent on institutional services, with about 40 percent going to home and community-based services (HCB)." | There is no need to "rebalance" the long term care system for persons living with the effects of cognitive -intellectual and developmental disabilities (ID/DD). Three times as many persons with ID/DD in Arkansas are served through Home & Community Based (HCB) programs than are served through licensed-facility-based programs (HDCs). |
| 8 | "A strong institutional bias remains in the provision of long term services and supports, both within Medicaid and in the private sector." Adapt.org | There is no "institutional bias" in Arkansas for individuals with cognitive-developmental disabilities. 74.2 % of Medicaid dollars are spent on Home and Community Based Waiver programs (for the DD population). |

# • Sources of Funding –

## Medicaid (70% Federal Match for 30% State Dollars)

## Medicare

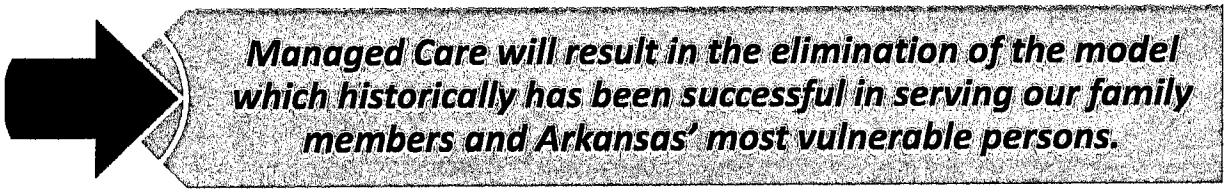
## HDC Provider/Bed Tax

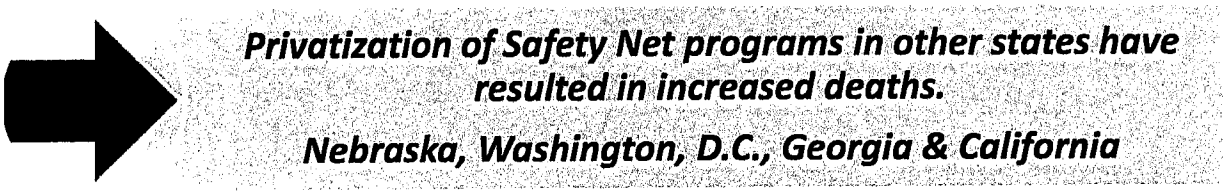


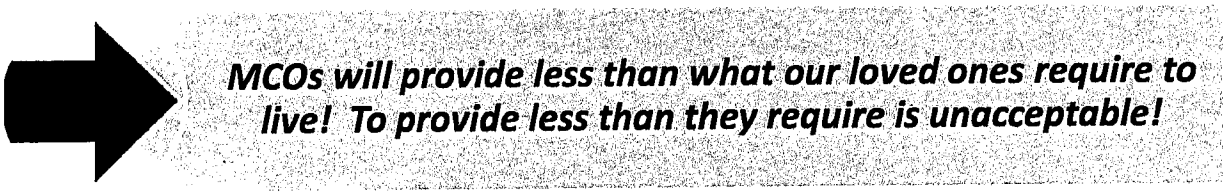

HDC Budget Numbers for FY 15

| HDC | Total Budget for FY 15 | Federal Share | State Share | Number of Residents |
|---|---|---|---|---|
| Conway | $ 63,704,720 | $ 41,438,336 | $ 22,266,384 | 481 |
| Arkadelphia | $ 15,155,680 | $ 9,971,926 | $ 5,183,754 | 119 |
| Jonesboro | $ 12,603,419 | $ 8,173,194 | $ 4,430,225 | 105 |
| Booneville | $ 15,989,376 | $ 10,432,278 | $ 5,557,098 | 129 |
| Warren | $ 12,254,958 | $ 8,012,990 | $ 4,241,968 | 90 |
| TOTAL | $ 119,708,153 | $ 78,028,724 | $ 41,679,429 | 924 |

# We **oppose** the use of Managed Care Organizations for the residents of the Human Development Centers




*We recommend Strengthening Program Integrity & Infrastructure*

## *In Conclusion -*

FF-CFR opposes privatization of state human development center programs. HDC care is safer for those disabled individuals found to benefit most from state-operated congregate care facilities. The close care residents receive in our HDC programs is essential to their health and safety. HDC residential care is not suitable for everyone; many individuals with disabilities thrive in other models of care. We see a need for a range of care options, which reflect the realities of the individual with disabilities and their family.

FF-CFR opposes the use of Managed Care Organizations (MCOs) for the residents of the Human Development Centers. MCOs' position is that cost savings will result when they are given the business of caring for people with disabilities.

Contracting with one or more Managed Care organizations for the Arkansas developmental disabilities population would likely result in the elimination of the model (state-operated residential long-term care programs at the five human development centers), which historically has been successful in serving our family members and Arkansas' most vulnerable citizens. Elimination of centers would not happen overnight but would occur over time.

Deflecting admissions from, downsizing, closing/privatization of public Safety Net Programs in other states have resulted in increased deaths for persons with developmental disabilities. See e.g.: 1,000 deaths in Georgia (2013-2014) following closure of state centers required in a settlement agreement with U.S. Department of Justice. See also states of Nebraska, California and Washington D.C.

A developmental disabilities service system operated by one or more Managed Care Organization(s) will add additional layers of administrative costs to the Arkansas DDS system which in turn will result in a decrease in available funds for adequate services to vulnerable persons who rely on others for their survival.

FF/CFR strongly supports the maintenance of infrastructure at the human development centers with planned and adequately funded improvements.

***Thank you for giving us the opportunity to speak in behalf of HDC residents today, and thank you for your public service.***